

AN ORDINANCE      101345

APPROVING THE FINAL PROJECT AND FINANCING PLANS FOR TAX INCREMENT REINVESTMENT ZONE NUMBER TWELVE, CITY OF SAN ANTONIO, TEXAS ("ZONE") KNOWN AS THE PLAZA FORTUNA TIRZ; AUTHORIZING THE PAYMENT OF ALL INCREMENTAL AD VALOREM TAXES IN THE ZONE INTO THE ZONE'S TAX INCREMENT FUND; AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE INTERLOCAL AGREEMENTS WITH THE BOARD OF DIRECTORS FOR THE ZONE ("THE BOARD"), BEXAR COUNTY AND THE ALAMO COMMUNITY COLLEGE DISTRICT AND A DEVELOPMENT AGREEMENT WITH THE BOARD AND HLH DEVELOPMENTS, L.P.

\* \* \* \* \*

**WHEREAS**, the City of San Antonio ("City") recognizes the importance of its continued role in economic development; and

**WHEREAS**, the City Council created Tax Increment Reinvestment Zone Number Twelve, City of San Antonio, Texas ("Zone"), known as the Plaza Fortuna TIRZ, by Ordinance Number 95054, dated December 13, 2001, pursuant to the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code as amended, (the "Act"), and the City's *2000 City of San Antonio, Texas Guidelines and Criteria for Tax Increment Financing (TIF) and Reinvestment Zones* to promote development and redevelopment of the Zone property which would not otherwise occur solely through private investment in the reasonably foreseeable future, established a Board of Directors for the Zone (the "Board"), and authorized the creation of a tax increment fund entitled "Reinvestment Zone Number Twelve, City of San Antonio, Texas, Tax Increment Fund" (the "Fund"), established in the depository bank of the City; and

**WHEREAS**, on July 26, 2005, the Board adopted and approved a final Project Plan ("Project Plan") and a final Financing Plan ("Financing Plan"), a Development Agreement with HLH Developments, L.P. (the "Developer") for the development of the real property within the Zone, and two Interlocal Agreements with the other two participating taxing entities in the Zone, providing for their participation in the Zone and contributions to the Fund; and

**WHEREAS**, the Act requires that the City Council approve the Project Plan and Financing Plan after their adoption by the Board; and

**WHEREAS**, the Act authorizes the reimbursement of "Project Costs" which are the costs of public works or public improvements in the Zone, plus other costs incidental to those reimbursements and obligations that are consistent with the Project Plan; and

**WHEREAS**, money in the Fund may be disbursed from the Fund, invested, and paid as permitted by the Act or by any agreements entered into pursuant to the Act, or otherwise authorized by law; and

**WHEREAS**, a taxing unit is not required to pay into the Fund any of its tax increment provided from property located in the Zone designated by petition under the Act, unless the taxing unit enters into an agreement with the City; and

**WHEREAS**, the agreement may include conditions for payment into the Fund and must specify the portion of the tax increment to be paid into the Fund and the years for which that tax increment is to be paid into the Fund; and

**WHEREAS**, the City desires to approve the payment of all available City incremental ad valorem taxes generated from new improvements in the Zone into the Fund; and

**WHEREAS**, payment into the Fund shall begin with the 2003 tax year and continue until its termination date of September 30, 2025 (the "Termination Date"), unless otherwise terminated earlier as authorized or permitted by law; and

**WHEREAS**, in accordance with the Act and Ordinance Number 95054, the Board has authority to enter into agreements as the Board considers necessary or convenient to implement the Project Plan and Financing Plan and to achieve the purposes of developing the Zone property; and

**WHEREAS**, the City, Board, and Developer have agreed to the terms and conditions for their performance and obligations for the development of the Zone property, including a total potential reimbursement to the Developer from the Fund for approved public infrastructure improvements and financing costs of \$702,472.00, as evidenced by the attached Development Agreement; and

**WHEREAS**, the City, Board, Bexar County and the Alamo Community College District have agreed to the terms and conditions for their participation in the Zone and contributions to the Fund, as evidenced by the attached Interlocal Agreements; and

**WHEREAS**, it is now necessary to for the City Council to approve the Project Plan and the Financing Plan for the Zone; to authorize the City Manager or his designee to enter into the Development Agreement with the Board and Developer which provides for the development of the Zone property as specified in the Project Plan and Financing Plan and Interlocal Agreements with Bexar County and the Alamo Community College District; and

**WHEREAS**, it is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code; **NOW THEREFORE:**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**

**SECTION 1.** The Final Project Plan ("Project Plan") and the Final Financing Plan ("Financing Plan"), as approved by the Board of Directors (the "Board") of the Tax Increment Reinvestment Zone Number Twelve of the City of San Antonio, Texas ("the Zone"), known as the Plaza Fortuna TIRZ, are approved, and copies are attached as Exhibit 1 (Project Plan) and Exhibit 2 (Financing Plan), and incorporated into this Ordinance for all purposes.

**SECTION 2.** The City Manager or his designee is authorized to make payment of all available City incremental ad valorem taxes generated from the new improvements in the Zone into tax Increment Reinvestment Zone Number Twelve, City of San Antonio, Texas, Tax Increment Fund (the "Fund"), beginning in the 2003 tax year and continue until its termination date of September 30, 2025, unless terminated earlier as authorized or permitted by law.

**SECTION 3.** The Project Plan and the Financing Plan for the Zone are feasible and in compliance with the City's Master Plan and the City's adopted 2000 *City of San Antonio, Texas*

*Guidelines and Criteria for Tax Increment Financing (TIF) and Reinvestment Zones* by encouraging community revitalization, infrastructure improvements and housing within certain areas of the City that would not have occurred without tax increment financing.

**SECTION 4.** The City Manager or his designee is authorized to execute the Development Agreement with HLH Developments, L.P. (the "Developer"), and the Board, attached and incorporated into this Ordinance for all purposes as Exhibit 3.

**SECTION 5.** Approval and execution of this Development Agreement does not have an immediate fiscal impact. To the extent that such funds are available, the City is authorized to reimburse the Developer up to a maximum total payment of \$702,472.00 for the public infrastructure improvement and financing costs as authorized by and in accordance with the Tax Increment Financing Act (Chapter 311 of the Texas Tax Code). The Plaza Fortuna TIRZ has a termination date of September 30, 2025, unless otherwise terminated earlier as authorized or permitted by law.

**SECTION 6.** The City Manager or his designee is authorized to execute Interlocal Agreements with the Board and Bexar County and the Alamo Community College District, copies of which are attached and incorporated into this Ordinance as Exhibit 4 (Bexar County) and Exhibit 5 (Alamo Community College District).

**SECTION 7.** The statements set out in the recitals of this Ordinance are true and correct, and are incorporated as a part of this Ordinance.

**SECTION 8.** If any provision of this Ordinance or the application of any provision of this Ordinance to any circumstance is held invalid, the remainder of this Ordinance and the application of the remainder of this Ordinance to other circumstances shall nevertheless be valid, and this Ordinance would have been enacted without the invalid provision.

**SECTION 9.** This ordinance shall be effective on the tenth (10<sup>th</sup>) day after passage.

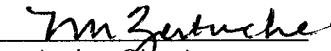
**PASSED AND APPROVED** this 1<sup>st</sup> day of September 2005.



**M A Y O R**

PHIL HARDBERGER

ATTEST:   
City Clerk

APPROVED AS TO FORM:   
for Acting City Attorney

# Agenda Voting Results

**Name:** 8.

**Date:** 09/01/05

**Time:** 03:38:17 PM

**Vote Type:** Multiple selection

**Description:** An Ordinance approving the final project and financing Plans for Tax Increment Reinvestment Zone Number Twelve, City of San Antonio, Texas ("Zone") known as the Plaza Fortuna TIRZ; authorizing the payment of all incremental ad valorem taxes in the Zone into the Zone's Tax Increment Fund; and authorizing the City Manager to negotiate and execute Interlocal Agreements with the Board of Directors for the Zone ("Board"), Bexar County and the Alamo Community College District and a Development Agreement with the Board and HLH Development L.P. [Presented by David D. Garza, Director, Neighborhood Action; Jelynn LeBlanc Burley, Assistant City Manager]

Voter	Group	Status	Yes	No	Abstain
ROGER O. FLORES	DISTRICT 1		x		
SHEILA D. MCNEIL	DISTRICT 2	Not present			
ROLAND GUTIERREZ	DISTRICT 3		x		
RICHARD PEREZ	DISTRICT 4	Not present			
PATTI RADLE	DISTRICT 5		x		
DELICIA HERRERA	DISTRICT 6		x		
ELENA K. GUAJARDO	DISTRICT 7		x		
ART A. HALL	DISTRICT 8		x		
KEVIN A. WOLFF	DISTRICT 9		x		
CHIP HAASS	DISTRICT_10		x		
MAYOR PHIL HARDBERGER	MAYOR	Not present			